



City of San Diego
CARL DEMAIO
CITY COUNCILMEMBER – DISTRICT 5

MEMORANDUM

DATE: February 29, 2012

TO: Mayor Jerry Sanders

City Attorney Jan Goldsmith

FROM: Councilmember Carl DeMaio

RE: UCAN Dissolution

It was reported today that the Utility Consumers Action Network (UCAN) is disbanding “amid a federal grand jury investigation into its business practices and leadership” (“Utility Action Group Disbanding Amid Probe,” San Diego Union-Tribune, Feb. 29, 2012)

Beginning in 2009, this group was authorized by a Superior Court judge to mail 280,000 informational inserts three times annually in San Diego water bills until 2014 **to solicit donations from our city taxpayers.**

Given the news of a grand jury investigation and the dissolution of the organization, I have serious concerns about the current agreement with UCAN and the city’s continued cooperation with them.

Therefore, I would like an answer to the following questions in regards to UCAN and its future relationship with the city:

1. Will UCAN stop including informational & fundraising inserts in San Diego Water Department customers’ bills?
2. If UCAN desires to continue inserting material in water bills, can the City take action to halt the inclusion of UCAN inserts, given the allegations of misuse of funds?
3. Can the City begin looking at other non-profit ratepayer advocacy groups to fulfill the mission of oversight and customer outreach?

This is an unfortunate situation for San Diego’s water ratepayers. My office is available to help in any way to provide adequate oversight and advocacy for ratepayers.

CC: Honorable Members of the City Council